COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE OPTIONAL MEASURED)
SERVICE TARIFF FILING) CASE NO. 8510
OF CINCINNATI BELL. INC.)

ORDER

On April 14, 1982, Cincinnati Bell, Inc., ("Bell") filed a tariff with the Commission proposing the establishment of optional measured service. By Order entered May 4, 1982, the tariff was suspended for investigation and possible hearing for a period of up to 5 months.

Bell proposed two types of measured service offerings. The first is an access charge plus usage allowance option, and the second is an access charge without usage allowance ("low usage") option. The Commission approved Bell's proposal for an access charge plus usage allowance option in its Order of June 9, 1982.

A hearing was held on July 1, 1982, to determine the reasonableness of Bell's proposal for the low usage option, and to determine whether the public interest would be served by permitting this option to be offered. All parties of interest were allowed to be heard. There were no intervenors, and no protests were entered.

The Commission, having considered this matter including the public hearing and all evidence of record and being advised, is of the opinion and finds that:

- (1) Bell's proposal to introduce a low usage measured service option is an innovative alternative to flat rate service. The Commission has long been aware of the need for alternatives to flat rate service. A variety of local measured service offerings, including the low usage option, provide such alternatives:
- (2) Low usage service will help accomplish the goal of equitable distribution of the cost of telephone service. Those subscribers who make few out-going calls and those subscribers on either fixed or low incomes who wish to control their telephone charges would be expected to choose the low usage option;
- (3) Bell's proposal for a low usage option is reasonable and in the public interest, and should be approved; and
- (4) Bell should file quarterly with the Commission a report of measured service subscriptions and revenues in comparison to flat rate service subscriptions and revenues for affected exchanges for a period of 2 years from the date of introduction of measured rate service, in order for the Commission to monitor the viability and growth of measured service offerings.

IT IS THEREFORE ORDERED that Bell's tariff filing be

and it hereby is approved. The pages of the tariff filing hereby approved are:

EXCHANGE RATE TARIFF

Section		Revised Revised			
		136	WEATPER	Lage	U
		lst	Revised	Page	7
		lst	Revised	Page	8

Section	2	3rd	Revised	Page	5.1
		lst	Revised	Page	6.1
		1st	Revised	Page	7.1
		3rd	Revised	Page	8.1
		1st	Revised	Page	9.1
		1st	Revised	Page	10.1

GENERAL EXCHANGE TARIFF

Section	1	2nd 2nd	Revised Revised	Page Page	7 10
Section	2	3rd 2nd	Revised Revised	Page Page	4 36
Section	7	2nd	Revised	Page	1

IT IS FURTHER ORDERED that within 20 days of the date of this Order, Bell shall file with the Commission the tariffs approved herein in the form prescribed by the Commission's regulations.

IT IS FURTHER ORDERED that for a period of 2 years from the date of introduction of its measured rate service offerings in Kentucky, Bell shall file with the Commission a quarterly report of measured service subscriptions in comparison to flat rate service subscriptions and revenues on a Kentucky company basis.

Done at Frankfort, Kentucky, this 27th day of July, 1982.

PUBLIC SERVICE COMMISSION

Chairman

Vice Chairman

Commissioner

ATTEST:

Secretary